

## The Property Tax Base Sharing Act

The Property Tax Base Sharing Act is triggered if the approved plan identifies a "jurisdictional revenue disparity," such as may occur if increased costs for local government services will occur in a local government unit which does not include the mine within its taxing jurisdiction.

The Property Tax Base Sharing Act provides for a formula-based allocation of the taxable valuation of the hard-rock mineral development among affected counties, municipalities and school districts. The allocations are based on the place of residence of the hard-rock mineral development employees and their school age children.

## The Hard-Rock Mining Impact Board

The five-member Hard-Rock Mining Impact Board is appointed by the Governor in compliance with specific purposes.

Depending upon the issues before the Board, the meetings may be held in various locations throughout the State. All Board meetings are open to the public and citizen participation is encouraged. Public comment on any matter that is within the jurisdiction of the Board will be allowed at all Board meetings. The opportunity for public comment will be reflected on the meeting agenda and incorporated into the official minutes of the meeting. Board meetings are held at facilities that

are fully accessible to persons with disabilities. Any person needing reasonable accommodations should notify the Hard-Rock Board at (406) 841-2782 or TDD at (406) 841-2702 before the scheduled meeting to allow for arrangements.

If you request to be on the mailing list, an agenda will be sent to you approximately two weeks prior to the meeting of the Hard-Rock Mining Impact Board. For more information visit our web site at:

[http://comdev.mt.gov/CDD\\_HR.asp](http://comdev.mt.gov/CDD_HR.asp)  
or contact:

Hard-Rock Mining Impact Board  
Department of Commerce  
Park Avenue Building  
301 South Park Avenue  
Helena, MT 59601

### Hard Rock Mining Impact Board Members

Mary Ellen Cremer – Big Timber  
Kristen Koss – Custer  
Marianne Roose – Eureka  
Ed Tinsley – Helena  
Shain Wolstein – Butte

### Administrative Staff:

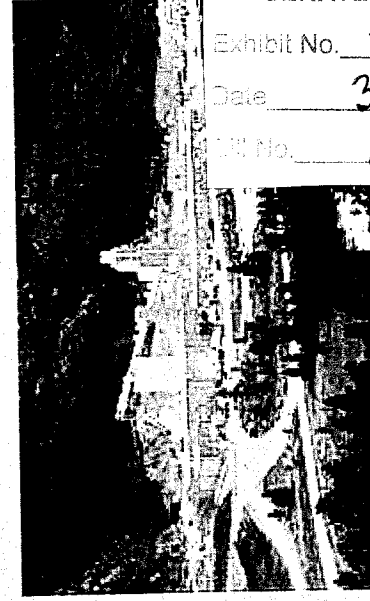
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Alternative accessible formats of this document will be provided upon request.

# The Hard Rock Mining Impact Act & Property Tax Base Sharing Act



Montana Tunnels Mine near Jefferson City



Stillwater Mine near Nye, N

SENATE FINANCE & CLAIMS  
Exhibit No. 7  
Date 3-10-09  
Bill No. HB 194

Updated Feb

# **The Hard-Rock Mining Impact Act**

## **The Purpose**

Working with mineral developers and affected local governments, the 1981 Montana Legislature enacted the Hard-Rock Mining Impact Act. The purpose of the Act is to ensure that local government services and facilities will be available when and where they are needed as a result of new large-scale hard rock mineral developments and that the increased costs of these services will not burden the local taxpayer. In 1983, the Legislature also addressed on-going increased costs in taxing jurisdictions that do not include the hard rock mineral development within their boundaries and the fiscal and economic impacts of major workforce reduction and mine closure.

The Hard-Rock Mining Impact Act and the Property Tax Base Sharing Act are found in Title 90, Chapter 6, Parts 3 and 4 in the Montana Code Annotated (MCA). They are available at:  
<http://data.opi.mt.gov/bills/mca/90/6/90-6-307.htm>

## **The Plan**

To implement the Impact Act, the Hard-Rock Mining Impact Board has adopted administrative rules beginning with 8.104.101 in the Administrative Rules of Montana (ARM). They are available at:  
<http://www.mtrules.org/>

Under the Impact Act each new large-scale hard-rock mineral development in Montana is required to prepare a local government fiscal Impact Plan. In the plan the developer is to identify and commit to pay all increased capital and net operating costs to local government units that will result from the mineral development. The Impact Plan is a condition of the operating permit issued to the developer by the Montana Department of Environmental Quality.

The developer prepares the Impact Plan with the cooperation of the affected local governments. The developer then submits the proposed plan to the affected local government units and to the Hard-Rock Mining Impact Board for their formal review. Local governments review the plan for its accuracy and adequacy with respect to anticipated service and facility needs and costs. The Board reviews the plan for its compliance with the Hard-Rock Mining Impact Act and the administrative rules.

In the plan, the developer may commit to provide assistance that will prevent increased costs or may commit to pay increased costs through grants, property tax prepayments, or education impact bonds

If a local government disagrees with any portion of the plan, the governing body may file an objection with the Hard-Rock Mining Impact Board during the 90-day review period. If the objection is not resolved through negotiation between the developer and the governing body, the Board holds a public hearing on the objection and arbitrates the dispute.

The Hard-Rock Mining Impact Board must approve the Impact Plan. The developer or an affected local government unit may petition the Board to amend an approved plan under those circumstances specified by statute or as provided in the Impact Plan itself.

A new hard-rock mineral development that becomes "large-scale" after it has received its operating permit may petition the Board for a waiver from the requirements of the Act. The Board may grant a waiver or a conditional waiver or, following a public hearing, may require that an Impact Plan be prepared.